

MINUTES OF THE REGULAR MEETING OF THE TRINIDAD CITY COUNCIL
TUESDAY, JUNE 09, 2020

I. CALL TO ORDER

Mayor Ladwig called the Webex virtual meeting to order at 6:00pm. Council members in attendance: Ladwig, Miller, West, Grover, Davies. City Staff in attendance: City Manager Eli Naffah, City Clerk Gabriel Adams.

II. PLEDGE OF ALLEGIANCE

III. ADJOURN TO CLOSED SESSION – No closed session.

IV. APPROVAL OF THE AGENDA

Engineer requested removal of Consent #3, and Council pulled Discussion #2 due to lack of supporting documentation in the packet.

Motion (West/Miller) to approve the agenda as amended. Passed unanimously.

V. APPROVAL OF MINUTES – 05-12-2020 cc, 05-21-2020 scc

Davies: Correction to 5/12, p.2, consensus to re-open trail with safety signage posted.

Resident Norman Thompson: Correction to 5/21, p.1, Items from the floor, 'Norman', and identify hydrant location as 'in front of 840 Van Wycke'.

VI. COUNCIL REPORTS/COMMITTEE ASSIGNMENTS

West: HCAOG agreed to support putting a transportation tax back on the ballot in November, but changed their minds due to the financial uncertainties affecting the cities. Meeting with Jared Huffman in July regarding Last Change Grade.

Grover: Met with Jared Huffman regarding budget backfill initiative and suggested a workgroup consisting of City and Business representatives to discuss best practices for opening safely.

Miller: RCEA discussed rates and feed-in tariff program. The Authority pays higher than market rates from local energy providers. Approved purchasing from 2 providers.

Ladwig: Join us in celebrating Trinidad School's 8th Grade graduation by participating in the drive-by ceremony on June 10.

Davies: Trails Committee passed the Trails Policy to the Planning Commission.

VII. STAFF REPORTS – City Manager & Law Enforcement

City Manager Eli Naffah noted the highlights listed in the packet report; Covid-related openings, SB2 Planning Grant Funding, Sprint decommissioning Trinidad Head cell facility, Trails are open by request of the Trails Committee except Van Wycke. Verizon building permit for Westhaven site is still under review. Quarry Road site is operational for Verizon, but ATT is still in the planning phase for bringing their site online in October. Sheriff will be on duty July 04.

Davies: Parker Creek Trail signage needs to be updated, and looking for status of after-the-fact CDP for Van Wycke Trail Closure.

VIII. ITEMS FROM THE FLOOR

(Three (3) minute limit per Speaker unless Council approves request for extended time.)

Richard Clompus – Trinidad

Regarding Vany Wycke Trail Grant, I'm very concerned with fire safety in the area and request an update on a backup plan to improve it.

Anita Thompson – Trinidad

We need adequate hydrant pressure on Van Wycke. I'm very concerned with safety in this area and hope to have a test done soon as this is an urgent matter.

Norman Thompson – Trinidad

Echoed Anita Thompson's comments.

Jessica & Chip Baker – Trinidad Area

Applied to the County for a cannabis cultivation permit on our property on Bauder Lane and understand the community is concerned. Our project is a small operation and there has been a misunderstanding of the water usage. We only extract 200 GPD for home use, and the well used for cultivation will only extract 300 GPD. Anyone with questions are welcome to contact us directly. Our project will include a large solar operation and all permits have been applied for. Chip@chipbaker.com

Katrine Homan – Trinidad Area

Disappointed with the Council's decision to reject the MOU between the City and the Rancheria proposed at the last meeting. The Rancheria has been a community partner. They provide the crossing guard at the school, they maintain vegetation and litter along Scenic and at the Harbor, they care for the Memorial Lighthouse, and they deserve communication.

IX. CONSENT AGENDA

1. Staff Activity Report – May 2020
2. Law Enforcement Report – May 2020
3. Agreement with GHD to Provide Storm Water Project Construction Engineering Assistance – **PULLED**
4. Authorize Public Works to Evaluate Bids and Select Contractor to Apply Striping to Scenic Drive.
5. Resolution 2020-09; Adopting a list of Projects for FY2020-2021 Funded By SB-1, The Road Repair and Accountability Act of 2017.
6. Amending the Humboldt Transit Authority Joint Powers Agreement.

*Motion (Miller/Grover) to approve the consent agenda as amended. **Passed unanimously.***

XI. DISCUSSION/ACTION AGENDA ITEMS

1. ASBS Stormwater Project Update.

City Engineer Steve Allen gave a brief presentation of the project;

- **Summary:** City received a letter from the State Water Resources Control Board to protect the Trinidad Bay Area of Special Biological Significance. The City pursued funding to eliminate stormwater discharge into the Bay.
- **Completed work:** Coastal Watershed Management Plan, Geotech Investigations, Groundwater Model, Construction Phase 1 & Phase 1B.
- **Upcoming Final Phase:** LID technologies on Edwards, Ewing, Underwood, Van Wycke, Harbor.
- **Construction Considerations:** Public Access to the Beach, Dock, Boat Launch. Have work in town completed early in summer and no construction traffic allowed in front of school. Project schedule time extension requested June-October 2021. Phased in coordination with Trinidad Rancheria Stormwater Project.

Council questions:

Ladwig: Has HSU's saltwater & stormwater discharges been addressed? Allen noted that the City is working actively with HSU to address their issues separately as salt and freshwater discharges shouldn't be mixed.

Public comment included:

Anita Thompson – Trinidad

If the work was done next summer, could we tie in the hydrant repair on Van Wycke during this project? Allen explained that there are 2 grant projects being pursued for this repair, and at this point it's unclear which one will provide the best timing and funding options.

Shirley Laos – Trinidad Rancheria

With no more G2G meetings scheduled, what is the plan for coordination with the Tribe? Ladwig stated the City is working on a schedule to get back into G2G discussions regarding the Stormwater project. Should have possible dates by the 15th of June.

Richard Clompus – Trinidad

If the Rancheria isn't willing to cooperate on this project, can the project be done in components? Or is it all or none? Allen explained that the City and Rancheria have been working together on this for many years. Coordination is still ongoing. Portions of the project can be completed, some cannot. Hopeful we can have this resolved and the City is committed to an outcome that's mutually beneficial to everyone, and the environment most importantly.

Jacque Hostler – Trinidad Rancheria

I'm confused. It's my understanding that the Council wanted public meetings, not G2G consultation. To hear that there's ongoing coordination is confusing. **Ladwig** explained that we intend to resume our meetings and will hopefully have more clarification on this within a week or so.

Davies: I request that if a G2G meeting is scheduled, please publish an agenda showing what you believe is confidential and not confidential. **Ladwig** agreed.

No decision was made. Presentation item only.

2. Discussion/Decision regarding Short-Term Rental Committee Recommendations – **PULLED**
3. Discussion/Decision regarding Resolution 2020-08; Supporting Planning for Electricity Micro-Grid, More Reliable Water Supply, and Alternatives to Broadband Internet Service.

Councilmember Miller explained that this resolution expresses the Council's support for exploratory steps into three specific domains, each of which are necessary for the resilience of our City of Trinidad, and by sharing resources and partnering, for Greater Trinidad. There is no specific deadline, nor a projected budget for staff time. It states the intent of this Council to explore, with whatever official or volunteer resources are available, the possibilities of more resilient services for electricity, water, and broadband. Possible sources of funding are available for feasibility studies and certain projects, including Steve Madrone's concept projects for the City's water system on Luffenholtz Creek. Miller read the Resolution aloud.

There was no public comment.

Council comment included:

Grover: I helped Miller with this and request the Council's blessing to allow us to continue our research.

Davies: This is a great idea and I believe we're moving in the right direction. However, I'm concerned with using staff time when we're already spent. **Miller** committed to taking on the work and assisting staff as needed.

Motion (Miller/Grover) to approve Resolution 2020-08. **Passed unanimously.**

4. Continued Discussion/Decision regarding 2020 Sales Tax Election & Calendar Update.
At the April 14 meeting, the Council asked to tie this discussion in with preliminary 2020-2021 revenue projections. In response, Staff has added a few more slides to the presentation given on April 14 that will shed some light on possible scenarios that could play out, and also provide insight as to how prepared the City is to weather the storm.

At the May 12 meeting, the Council asked for a list of options. The list includes, but is not limited to;

- A) .75% for 4-years (no change)
- B) .75% for 10-years
- C) .75 indefinitely, until rescinded by a majority vote of the Council.
- D) 1% for 4-years
- E) 1% for 10-years
- F) 1% indefinitely, until rescinded by a majority vote of the Council.

Deadlines: If the Council decides to proceed with a sales tax measure, the November election ballot will ask the voters to decide on 1) the Sales Tax Measure, and 2) selecting 3 Councilmembers. There are deadlines shared with the Sales Tax Election decision, and others that are independent from the Sales Tax election schedule:

FIRST DEADLINE: June 09, 2020 Council meeting:

1. Final decision to proceed or sunset the Sales Tax Increase must be made.

SECOND DEADLINE: July 14, 2020 Council meeting:

1. If a decision is reached to continue the sales tax increase, the wording must be drafted and approved in a resolution. Staff will draft the resolution based upon the decision reached at the June (or earlier) meeting and include it for adoption at the July (or earlier) Council meeting.
2. A second resolution will be required at this meeting to approve requesting that the City and County consolidate their elections. Clerk will have the resolution prepared for discussion/approval at this meeting, regardless of the Sales Tax decision.

The next steps following the July Council meeting deadline will be advised after each benchmark decision is reached. The Clerk's office will provide monthly updates and announcements to the Council regarding publishing deadlines and required notifications for both elements of the election.

Council questions:

Grover: I like option C, .75% indefinitely.

City Manager Eli Naffah explained that he spoke with the Taxpayers League who stated their support for .75% for 4-years.

West: .75% for 4-years is familiar, clear, and get the most support.

Miller: Taxpayer League is very vocal and articulate, and prepared to work against us. I'd like to see the measure in place for 8-years as every 4-years seems like a major effort. Most of the tax is paid by tourists.

Public comment included:

Richard Clompus – Trinidad

Can we compare other resort towns tax rates with Trinidad?

Ladwig: Stay with the current rate and time period. Every 4-years makes sense and is a conservative approach.

Grover: After hearing other comments, I agree with the .75% for 4-years.

Davies: With all the changes taking place, the current program seems like the best approach. We'll leave it up to the voters to decide.

*Motion (Grover/West) to propose a sales tax rate continuation of .75% for 4-years to the voters at the November General Election, and direct Staff to prepare the necessary documents. **Passed unanimously.***

5. Discussion/Decision regarding April Financial Statements and Preliminary FY2020-2021 Budget Review

The City typically begins the preliminary budget process in May, but recent events have caused a re-evaluation of how we do business. Last year the City realigned the budget process with a goal of an end product that would make future budgeting more accurate, transparent, tracible, and user-friendly. We're banking on that this year as we embark on an expedited process.

Much of the heavy lifting in terms of revenue projections have been evaluated as part of the Sales Tax Election discussion. Information received from numerous sources will help us forecast what the future may bring in terms of the economic impacts of the Covid pandemic. A number of scenarios have been considered, ranging from 30-50% revenue declines in the City's most vulnerable sources; Sales and Occupancy taxes, primarily.

The other variable that will have an impact on budgeting for FY2021 will be the results of the Sales Tax Election in November. The current add-on .75% tax is scheduled to sunset on March 31, 2021.

As noted in the May 12 regular meeting, the City is in a unique position of having sufficient, dedicated reserves to weather the storm. These reserves will ensure that the City's core services will not be interrupted in the upcoming budget year.

The primary goals of this preliminary budget meeting discussion are;

- 1) To examine the financial statements received through April 30, 2020.

- 2) Review significant highlights in spending (or not spending) and revenues in all departments.
- 3) Discuss how activity from the current year, combined with the dedicated reserves will impact budgeting for 2021,
- 4) Request that Council provide any general direction to staff, upon review of discretionary activity that was intended for the current fiscal year, on any future spending in those same categories. Examples of such discretionary spending are;
 - a. \$10,000 allocated for Trails Maintenance,
 - b. \$10,000 allocated for Civic Club room improvements,
 - c. Contributions to local groups such as the land trust, Chamber of Commerce,
 - d. \$8,000 allocated to the Salary Study that has been budgeted for 5 years but has yet to happen
- 5) Brainstorm new ideas such as technology investments and/or possible expenses related to public health and safety that may be necessary in the coming months/year

Council questions included:

Miller: Do we have any idea what our occupancy tax reduction will be. **Naffah** explained that the State estimates majority of the impact is expected in the April-June 2020 quarter, but there could be an impact to the July-September quarter depending on the re-opening schedule.

Davies: The April revenues show low sales tax and T.O.T. this year, and they may continue into next year. It's possible that we could decline back into a more restrictive Shelter-In-Place situation. Harbor, Cell Towers, and Taxes may take a hit that we should be prepared for. Health and Welfare costs should be discussed. Are salary increases being proposed for longevity?

Ladwig: I'd like to add that we need to hire a third TPW Staff member as we've been down to 2 for many months now, proposals for how far are we willing to dip into the reserves, and possibly look at additional staffing options for enforcement, etc. as needed. Grateful for interest income as savings are paying dividends.

There was no public comment.

Staff will take feedback from tonight's meeting, incorporate it into the budget, and return on June 23 with a final draft for consideration.

6. Discussion/Decision regarding Purchase of an Electronic Variable Message Sign

City Manager Naffah explained that there is a desire to communicate to travelers visiting Trinidad various messages, and the proposed sign could be beneficial and would catch people's attention. The sign costs approximately \$15,000 and could be paid for in part by safety grant funds through PARSAC. We could communicate that face-coverings are required, along with social distancing, and post the sign up at the entrance of town to alert the public upon entering the City.

Council comments included:

Davies: This is not ok with our sign ordinance. This town has serious history with signs, and many have been removed. I'm completely against buying a flashing portable sign. It's distracting, and the entrance of town is complicated enough. This is a seaside community of 300 people.

Grover: Would it be helpful for law enforcement? I agree with Davies that signage like this could be distracting.

Miller: I support aesthetic issues, but also concerned with people being concerned about their safety. We don't have law enforcement policing distancing, and advanced warnings enable us to target threats. Since speed is only 20mph, the distractions are minimal. Can we rent one for a few months?

West: Miller has some good ideas. There are people who aren't following the rules, but I don't like signs. The intersection is very hectic. I hesitate to commit town resources on it when we need to be thinking conservatively. I'm not sure if we're getting a true sense of how the town feels about it tonight.

Public comment included:

Anita Thompson – Trinidad

I would like to see an official sign like this. I observe people not obeying the rules and support this proposal.

Richard Clompus – You don't realize how much you need a sign until you need it. The nice part about this sign is that its battery powered and would come in handy when needed.

Dorothy Cox – Trinidad

I don't support this sign. The freeway interchange is complicated enough. This town doesn't have enforcement anyways. We can put up more affordable signs directly. This is not Central Avenue in McKinleyville.

Continued Council comments included:

Davies: These signs are distractions, and won't change people's behavior. Just because we can get some money from an insurance company doesn't mean we need to spend it on a sign that's completely out of character for this community. Purpose of my draft motion is to extinguish this idea from coming back in future.

Ladwig: We need to do something to inform the community, but I'm not sure if a sign like this is appropriate.

*Motion (Davies/West) to not employ the use of a digital sign nor pursue the purchase or rental of a temporary digital sign. **Passed 4-1, No-Miller.***

X. FUTURE AGENDA ITEMS

- Final Budget
- Speeding on Edwards Street
- STR Committee Recommendations

ADJOURNMENT: 8:35pm.

Submitted by:

_____ signed copy on file _____
Gabriel Adams
Trinidad City Clerk

Approved by:

_____ signed copy on file _____
Steve Ladwig
Mayor